

labor regime, Middlebrook concludes that ‘the international defense of labor rights remains fundamentally conditioned (and often constrained) by state sovereignty’, thereby undermining the role of trade as ‘an efficacious strategy’ for protecting workers’ rights.<sup>29</sup>

The RRM, specifically, reveals a significant schism in trade and labor research. Novitz shares what I consider to be the majority view that the RRM is more democratic and deliberative because it targets specific facilities and permits workers to raise complaints directly with the United States about their employer’s misbehavior. Middlebrook, by contrast, views the RRM as a tool that expands ‘the scope of U.S. sovereignty leverage based on control over market access’.<sup>30</sup> Although labor organizations welcome it, the RRM remains vulnerable to the political decisions of the US government, and is not necessarily reflective of the voice of the vulnerable communities abused in trade relations. As Novitz reminds us, without those voices, workers’ rights are not guaranteed. And without workers’ rights, trade is not guaranteed. We should take notice.

DESIRÉE LECLERCQ

University of Georgia, Athens, GA, United States

Email: [desireelc@uga.edu](mailto:desireelc@uga.edu)

doi:10.1017/S1474745624000429

## Underground Empire: How America Weaponized the World Economy

Henry Farrell and Abraham Newman  
*Henry Holt and Co., 2023*

(Received 16 August 2024; accepted 16 August 2024)

*Underground Empire: How America Weaponized the World Economy*, by Henry Farrell and Abraham Newman provides a timely and accessible exposé of how the United States has harnessed its dominant position in global networks to use them to its advantage. The authors, both being respected scholars in international affairs and political science with a strong interest in cross-disciplinary research, dissect the networks – from internet servers to the central role of the US dollar – that underpin the US economic statecraft. They offer readers a comprehensive understanding of how control of the critical nodes of the global economy has allowed the US to develop potent instruments to achieve its political objectives, but recognizing that overusing these tools may prompt other nations to build alternative networks. The resulting conflict could tear apart the very nature of networks behind our global economic order.

Despite being a book focused on the relatively niche topics of economics, politics, and international relations, ‘Underground Empire’ reads like a thriller, captivating readers with its gripping narrative. The book draws on Henry Farrell and Abraham Newman’s groundbreaking research paper, ‘Weaponized Interdependence’<sup>1</sup> that has become the cornerstone of much of today’s economic statecraft policy in the United States, even though the paper is clear about the risks of the overuse of sanctions.<sup>2</sup> However, while the original paper was renowned for its structured rigor,

<sup>29</sup>Ibid. at 291.

<sup>30</sup>Ibid. at 311.

<sup>1</sup>H. Farrell and A.L. Newman (July, 2019) ‘Weaponized Interdependence: How Global Economic Networks Shape State Coercion’, <https://direct.mit.edu/isec/article/44/1/42/12237/Weaponized-Interdependence-How-Global-Economic>.

the book aims to make the complex subject matter more accessible to the broader public. In doing so, it occasionally loses some of the meticulous argumentation that made the original paper so influential.

The book is an important contribution to the literature as it bridges different fields, providing an umbrella framework covering the United States' dominance in economic statecraft and the risks it brings. It successfully expands the original argument to cover a range of critical fields such as internet hardware, telecommunications, and semiconductor chips. Overall, it serves as a valuable analysis for non-specialists and provides an exciting read for experts in the field, skillfully bridging different audiences.

The book's main takeaway is that the United States has successfully turned economic networks into 'tools of domination'. However, as the authors point out, this was not part of a 'deliberate plot' but rather a result of natural processes driven by the government and private sector alike. Many economic networks emerged from the private sector's self-interested profit motive and sometimes even from attempts by banks or tech innovators to render such government-controlled networks obsolete. Yet, 'all roads lead to Rome' – solidifying America's control.

In the post-9/11 world, Washington realized the critical advantages of being at the center of these nodes for its geopolitical objectives, and the US slowly evolved into a new kind of global empire. The United States was most successful in maintaining power when it did so covertly. As it increasingly used tools of economic statecraft against countries such as Iran and North Korea, other nations took notice – the United States was not the only country to recognize the advantages of controlling critical nodes, after all.

Arguably, China has attempted to replicate some of the United States' success or, at least, create alternative networks that could challenge US dominance. The authors argue that the primary motivation for the United States to focus its efforts on China is the fear that China may surpass it and become an empire in its own right.

The authors call on the United States to 'acknowledge the responsibility that comes with power'. Battles among global powers to control global networks could unravel the key fibers holding the global economy together, with devastating effects for all. So, what can be done? The United States has to practice what it preaches: acknowledge its power and work towards a global rules-of-the-game framework. While this may seem ambitious in the current environment, the authors suggest that compromises could be reached, particularly in areas where US interests and global welfare overlap. Although some issues might remain unaddressed, such a framework could help the countries step back from the brink of economic nuclear escalation and move towards cautious, tentative discussions.

*Underground Empire* is an important contribution to the evolving body of literature on 'economic statecraft', as it is referred to in the United States, or more commonly known as 'economic sovereignty' in Europe –using tools of economic policy to achieve foreign policy, national security, and military objectives.<sup>3</sup>

The book leaves me eager for more insights from the authors, particularly on topics beyond US global dominance, such as emerging power blocs. While the authors effectively explain how the United States' use (or overuse) of economic statecraft has already reshaped world economic order, it raises questions about future developments as networks shift away from critical nodes and new power blocs emerge. A follow-up research piece on these evolving global networks would be very valuable. For instance, China has surpassed the EU to become Russia's largest trade partner, and India now imports over 35% of its oil from Russia, up from just 2% before 2022. Slight changes are occurring in global reserve holdings with MENA sovereign wealth funds looking for ways to

<sup>2</sup>Anne-Marie Slaughter and Elina Ribakova (July 2022) 'Post American Networks', [www.project-syndicate.org/commentary/post-american-global-networks-by-anne-marie-slaughter-and-elina-ribakova-2019-07](http://www.project-syndicate.org/commentary/post-american-global-networks-by-anne-marie-slaughter-and-elina-ribakova-2019-07).

<sup>3</sup>M. Leonard, J. Pisani-Ferry, E. Ribakova, J. Shapiro, and G. Wolff (June 2019) 'Redefining Europe's economic sovereignty', [www.bruegel.org/policy-brief/redefining-europes-economic-sovereignty](http://www.bruegel.org/policy-brief/redefining-europes-economic-sovereignty)

diversify away from the US dollar. Are we moving towards numerous blocs, or will the United States maintain its central role? How should our thinking adapt if the importance of the US node decreases, and are there potential non-linear effects to consider?

While the book extensively discusses American motivations and criticism of its policies, the United States has also used its critical nodes to make positive global contributions, such as anti-money laundering and anti-terrorist financing rules. This influence could be extended to other areas like global shipping, where current regulations are inadequate – selling a car trailer requires more paperwork than that of an oil tanker. The United States has demonstrated benevolence by managing rogue actors such as Iran and North Korea and supporting Ukraine in its struggle against Russia's aggression.

It would be fascinating to understand how the authors perceive the objectives of other countries if they succeed in building alternative networks. Are there ideological differences between the United States and China in their pursuit of global dominance? China's one-party rule might lead it to support a world order where domestic regimes are not criticized, while the United States and its allies, at least rhetorically, promote democratic values. If such ideological differences exist, do they significantly hinder global cooperation, even if the United States acknowledges its 'nuclear' economic power?

*Underground Empire* effectively makes complex ideas accessible and builds on the authors' influential research. It highlights the risks of overusing economic tools and the potential emergence of alternative networks, prompting important questions about future global dynamics and the United States' role within them. Overall, it is a significant contribution to the literature on economic statecraft, offering insightful analysis for both general readers and experts alike.

ELINA RIBAKOVA

*Peterson Institute for International Economics, USA*

*Email: [eribakova@piie.com](mailto:eribakova@piie.com)*